EXHIBIT 7



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TO:

Keyvn Orr. Emergency Manager

FROM:

Brent Hartzell, Interim Budget Director

DATE:

October 24, 2013

RE:

Request for Amendment to the FY 2014 Budget of the City of Detroit (with appropriation revisions in consultation with Ernst & Young)

At your direction, debt service appropriations for pension obligation certificates and limited tax general obligation debt for which principal and interest are not being remitted during the Chapter 9 bankruptcy filing are to be reallocated for general operational restructuring purposes. These debts include pension obligation certificates and several obligations backed by limited tax general obligation revenues.

Accordingly, pursuant to your authority under Emergency Order 12 and section 12(1)(b) of Michigan Public Act 436 of 2012, the Budget Department requests that you amend the City's FY 2014 Budget to shift \$95,686,548 from various appropriations in the General Fund (see attached resolution) to the general restructuring account (Appropriation 13224). A subsequent amendment will reallocate authority within grant and enterprise funds to the extent necessary. Once decisions are made in placing specific authority within designated agencies, reallocation amendments from the restructuring account will also be required.

Confirmation of your intent and approval of this reallocation are hereby requested.

cc: Shani Penn, Chief of Staff to the Emergency Manager
Sonya Mays, Senior Advisor to the Emergency Manager
Gary Brown, Chief Operating Officer
John Naglick, Finance Director and Acting Chief Financial Officer
Portia Roberson, Corporation Counsel
City Council Members
Irvin Corley, City Council Legislative Policy Division
Adam Hollier, Legislative Liaison, Mayor's Office

504 Ext 1019 1305

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BY THE EMERGENCY MANAGER:

RESOLVED, pursuant to Emergency Order 12 and section 12(1)(b) of Michigan Public Act 436 of 2012 and to ensure legal authorization of additional costs for restructuring activities, that the FY 2014 Budget of the City of Detroit be and is hereby amended as follows:

FROM LTGO-SERVICED INDEBTEDNESS:		
Decrease Appropriation No. 00852, Claims Fund (Insurance Premium)	\$	12 620 500
Decrease Appropriation No. 00993, DDA Bonds 1997		13,630,500 1,369,400
Decrease Appropriation No. 12129, 800 MHz Project Debt Service	\$	34,953,272
	J	J492JJ,212.
FROM PENSION OBLIGATION CERTIFICATES:		
Decrease Appropriation No. 00024, Central Data Processing (ITS)	\$	314,898
Decrease Appropriation No. 00028, Administration (DPW)	\$	48,199
Decrease Appropriation No. 00058, Administration (Finance)	\$	80,924
Decrease Appropriation No. 00060, Assessments Division (Finance)	\$	370,326
Decrease Appropriation No. 00061, Purchasing Division (Finance)	\$	107,993
Decrease Appropriation No. 00063, Treasury Division (Finance)	\$	248,405
Decrease Appropriation No. 00064, Executive Mgmt. and Support (Fire)	\$	256,683
Decrease Appropriation No. 00065, Ordinance Enforcement (Fire)	S	472,482
Decrease Appropriation No. 00067, Emergency Medical Services (Fire)	\$	2,223,265
Decrease Appropriation No. 00068, Administration (DHWP)	\$	126,812
Decrease Appropriation No. 00096, Executive Office (Mayor)	\$	264,113
Decrease Appropriation No. 00102, Parking Violations Bureau (Muni. Pkg.)	\$	272,260
Decrease Appropriation No. 00105, Administration (Human Resources)	\$	108,407
Decrease Appropriation No. 00106, Personnel Selection (Hum. Resources)	S	28,391
Decrease Appropriation No. 00108, Labor Relations (Hum. Resources)	S	130,266
Decrease Appropriation No. 90111, Police Commission (Police)	\$	312,798
Decrease Appropriation No. 00112, Police Executive (Police)	\$	729,631
Decrease Appropriation No. 20115, Human Resources Bureau (Police)	2	290,215
Decrease Appropriation No. 90118, Criminal Investigation Bureau (Police)	\$	4,675,247
Decrease Appropriation No. 00119, Management Services Bureau (Police)	\$	793,726
Decrease Appropriation No. 00123, Administration (PLD)	\$	89,419
Decrease Appropriation No. 00127, Engineering (PLD)	\$	123,781
Decrease Appropriation No. 00128, Street Lighting (PLD)	\$	707,857
Decrease Appropriation No. 00129, Operating Division (PLD)	\$	143,790
Decrease Appropriation No. 00131, Heat and Power Production (PLD)	\$	197,200
Decrease Appropriation No. 00181, Conduct of Flections (Elections)	\$	2.57,109
Decrease Appropriation No. 00182, Investigation of Complaints (Ombuds.)	\$	66,287
Decrease Appropriation No. 00183, Land Use Controls (BZA)	\$	23,274
Decrease Appropriation No. 00226, Budget Dept. Operations (Budget)	\$	116,077
Decrease Appropriation No. 00245, Accounts DivAdministration (Finance)	\$	391,146
Decrease Appropriation No. 00247, Accounts-City Income Tax Ops. (Finance)	S	273,977
Decrease Appropriation No. 00250, Protection of Human Rights (Hum, Rights)	\$	29,334
Decrease Appropriation No. 00261, Auditing Operations (Auditor Gen.)	\$	92,231
Decrease Appropriation No. 00265, City Clerk Ops. (City Clerk)	3	97,553
Decrease Appropriation No. 00269, City Legislative Functions (Council)	\$	282,263
Decrease Appropriation No. 00277, Detroit Bldg. Authority (Non-Dept.)	Š	70,169
Decrease Appropriation No. 00393, District Court (36th Dist. Ct.)	8	216 825
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Decrease Appropriation No. 99537, Rape Counseling Unit (Police)	\$	
Decrease Appropriation No. 00715, Vehicle Mgmt, and Supply (Fire)	\$	125,606
Decrease Appropriation No. 00718, Fire Fighting Operations (Fire)	\$	7,260,078
Decrease Appropriation No. 00760, Commun. & Systems Support (Fire)	\$	241,690
Decrease Appropriation No. 00832, Dept. Accounting Operations (Finance)	\$	116,377
Decrease Appropriation No. 30833, Employee Services (Hum. Resources)	\$	307,364
Decrease Appropriation No. 00854, Hearings & Policy Dev. (Hum. Rsrcs.)	\$	9,810
Decrease Appropriation No. 00880, Police Athletic League (Police)	\$	25,035
Decrease Appropriation No. 00883, Development-City (PDD)	S	24,249
Decrease Appropriation No. 00910, City Engineer (DPW)	S	66,966
Decrease Appropriation No. 60922, Council President Office (Council)	\$	7,203
Decrease Appropriation No. 00923, Council Member Office 1 (Council)	\$	6,216
Decrease Appropriation No. 00924, Council Member Office 2 (Council)	\$	6,216
Decrease Appropriation No. 00925, Council Member Office 3 (Council)	\$	6,216
Decrease Appropriation No. 00926, Council Member Office 4 (Council)	\$	6,216
Decrease Appropriation No. 00927, Council Member Office 5 (Council)	S	6,216
Decrease Appropriation No. 00928, Council Member Office 6 (Council)	S	6,216
Decrease Appropriation No. 00929, Council Member Office 7 (Council)	\$	6,216
Decrease Appropriation No. 00930, Council Member Office 8 (Council)	\$	6,216
Decrease Appropriation No. 04739, General Revenue-Non-Dept. (Non-D)	\$	201,732
Decrease Appropriation No. 09112, Enhanced E-911 (Police)	\$	295,941
Decrease Appropriation No. 16082, Operations (Police)	S	14,120,763
Decrease Appropriation No. 10151, Casino Municipal Services (Fire)	\$	258,904
Decrease Appropriation No. 10152, Casino Municipal Services (Police)	\$	531,685
Decrease Appropriation No. 10397, Board of Ethics (Non-Dept.)	S	13,886
Decrease Appropriation No. 11040, Administration (Police)	\$	127,683
Decrease Appropriation No. 11041, Technical Services Bureau (Police)	\$	2,235,657
Decrease Appropriation No. 11042, Legal Affairs/Training (Police)	\$	865,209
Decrease Appropriation No. 11159, Blight Violations Adjudic. (DAH)	\$	41,333
Decrease Appropriation No. 11195, Risk Management Council (Auditor Gen.)	\$	16,695
Decrease Appropriation No. 11656, Recreation Mgmt. (Recreation)	\$	49,083
Decrease Appropriation No. 11657, Busin. Ops. & Suppt. Svcs. (Recreation)	\$	24,213
Decrease Appropriation No. 11663, Recreation Operations (Recreation)	\$	225,803
Decrease Appropriation No. 11665, Belle (sle Operations (Recreation)	\$	8,433
Decrease Appropriation No. 11825, Administration (GSD) Decrease Appropriation No. 11830, Facilities & Grounds Maint. (GSD)	\$	76,777
	ŝ	327,551
Decrease Appropriation No. 11831, Inventory Management (GSD)	\$	36,422
Decrease Appropriation No. 12146, Business License Center (BSEE)	S	36,353
Decrease Appropriation No. 12153, Fleet Management (GSD)	\$	761,572
Decrease Appropriation No. 12154, General Services-Street Fund (GSD)	S	211,958
Decrease Appropriation No. 13125, Media Services/Comunic. (Non-Dept.)	\$	49,669
Decrease Appropriation No. 13152, Street Maint. Garage (GSD)	\$	131,603
Decrease Appropriation No. 13161, Environmental Affairs Dept. (BSEE)	3	24,518
Decrease Appropriation No. 13168, Real Estate & GIS (PDD)	\$	35,474
Decrease Appropriation No. 13174, Strategic Planning/Grants (Recreation)	\$	6,482
Decrease Appropriation No. 13336, Ground Maintenance (GSD)	\$	222,123
Decrease Appropriation No. 13530, Office of the Inspector General (OIG)	\$	79 ,902
Decrease Appropriation No. 13532, Homeland Security Ops. (Police)	\$	15,489
Decrease Appropriation No. 13567, Animal Control (Police)	S	109,668